

## **FISCAL NOTE**

### **HB 2664 – SB 3675**

February 6, 2008

**SUMMARY OF BILL:** Requires public transportation systems in metropolitan governments to convert at least 25% of the motor vehicles in their fleet to motor vehicles that operate on alternative fuel or biodiesel by January 1, 2009.

#### **ESTIMATED FISCAL IMPACT:**

##### **Increase Local Expenditures\* – Exceeds \$425,000**

Assumptions:

- Metropolitan Nashville-Davidson County Transit Authority (MTA) estimates that converting 25% of its fleet to alternative fuel or biodiesel will increase local government expenditures by at least \$425,000.
- These costs include fuel purchases, installation of new tanks, staff training, and additional vehicle maintenance.
- Hybrid vehicles are not included in the definition of alternative fuel and biodiesel in Tenn. Code Ann. § 67-3-103 (2) and (3).

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/kmc